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March 4, 1998

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## Ex Parte Filing

Magalie Salas, Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

## RECEIVED

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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

In re Matter of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128

Dear Ms. Salas:

Enclosed for filing in this docket are the original and one copy of a letter to Rose Crellin. I sent this letter to Ms. Crellin today on behalf of the LEC ANI Coalition. I would ask that you include the letter in the record of this proceeding in compliance with  $47 \text{ C.F.R.} \S 1.1206(a)(2)$ .

If you have any questions concerning this matter, please contact me at (202) 326-7902.

Yours sincerely,

Michael K. Kellogg

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Enclosure

cc: Rose Crellin

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Ms. Rose M. Crellin Federal Communications Commission 1919 M Street, N.W. Room 6120 Washington, D.C. 20554

> Re: Pay Telephone Reclassification and Compensation Provisions of Telecommunications Act of 1996, CC Docket No. 96-128

Dear Ms. Crellin:

I am writing to provide you with an update on the costs incurred by specific LEC ANI Coalition members -- Ameritech, Bell Atlantic, BellSouth, Southwestern Bell, Pacific Bell, Nevada Bell, SNET and U S WEST -- in deploying FLEX ANI in their networks. 1

As I mentioned in my letter of February 5th, more than 86 percent of the payphone lines in the Coalition members' service areas will be capable of passing payphone-specific coding digits by March 9th. To date, the Coalition members have spent approximately \$23 million dollars installing the necessary switch software and doing the necessary line-side and trunk-side translations work. The members anticipate that at least another \$50 million in expenditures will be required to complete the trunk-side translations work for all interexchange carrier trunks.

These costs, however, are only the tip of the iceberg. Preliminary tests with the limited number of carriers that have requested FLEX ANI have revealed a number of unanticipated problems. For instance, recent tests revealed that when 800/888/500 number look-ups are done at the tandem switch level for calls placed from dumb lines, the tandem is unable selectively to send FLEX ANI or regular ANI codes. Instead, on

<sup>&</sup>lt;sup>1</sup>The figures given in this letter exclude GTE's costs and thus underestimate the costs of the Coalition as a whole.

Ms. Rose M. Crellin March 4, 1998 Page 2

these types of calls, the tandem must send <u>all</u> interexchange carriers either FLEX ANI <u>or</u> existing hard-coded ANI digits.

To the best of our knowledge, this problem affects all types of tandem switches; Coalition members are working closely with both Lucent and Nortel to fix this problem. In the interim, since sending FLEX ANI to carriers whose networks are not configured to accept those digits could result in dropped calls, Coalition members who identify the interexchange carrier for 800/888/500 calls at the tandem rather than the end office level anticipate sending regular ANI digits for such calls.

Other problems have been discussed in individual <u>ex partes</u> filed by the Coalition members.<sup>2</sup>

While every effort is being made to resolve these problems as quickly as possible, the Coalition expects that as testing continues, additional problems will arise. The Coalition members will make resolution of these problems a priority. However, ultimate control lies with the vendors who must prepare the necessary software fixes. While the exact costs of these fixes is impossible to quantify at this time, preliminary estimates from the switch vendors for the already encountered problems indicate that these costs could dwarf the costs incurred to date in deploying FLEX ANI.

If you have any questions on the above information, please call me on (202) 326-7902.

Yours sincerely,

Michael K. Kellogg

<sup>&</sup>lt;sup>2</sup>See, e.g., Letter from Jeffrey B. Thomas, Senior Counsel, Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell, to Rose Crellin, FCC, Jan. 23, 1998; Letter from Ben G. Almond, Executive Director, BellSouth, to Rose M. Crellin, FCC, Feb. 10, 1998; Letter from F. Gordon Maxson, Director - Regulatory Affairs, GTE Service Corporation, to Mary Beth Richards, FCC, Feb. 24, 1998; Letter from James T. Hannon, U S WEST, Inc., to Robert W. Spangler, Chief, Enforcement Bureau, FCC, Feb. 25, 1998; Letter from Wendy Bluemling, Southern New England Telephone, to Rose Crellin, FCC, Mar. 2, 1998.